

**MINUTES
of the
FIRST MEETING
of the
WATER AND NATURAL RESOURCES COMMITTEE**

**June 1, 2015
Room 307, State Capitol
Santa Fe**

The first meeting of the Water and Natural Resources Committee was called to order on Monday, June 1, 2015, in Room 307 of the State Capitol by Senator Peter Wirth, chair.

Present

Sen. Peter Wirth, Chair
Rep. Paul C. Bandy
Sen. Joseph Cervantes
Rep. Randal S. Crowder
Rep. James Roger Madalena
Rep. Javier Martinez
Rep. Matthew McQueen
Rep. Andy Nunez
Sen. Cliff R. Pirtle
Sen. Sander Rue
Sen. Benny Shendo, Jr.
Rep. Jeff Steinborn
Sen. Pat Woods

Advisory Members

Sen. Ted Barela
Sen. Carlos R. Cisneros
Sen. Lee S. Cotter
Rep. Nora Espinoza
Rep. Bealquin Bill Gomez
Sen. Ron Griggs
Rep. Jimmie C. Hall
Rep. Larry A. Larrañaga
Rep. Tim D. Lewis
Sen. Linda M. Lopez
Rep. Bill McCamley
Sen. Cisco McSorley
Sen. Gerald Ortiz y Pino
Sen. Mary Kay Papen
Sen. Nancy Rodriguez

Absent

Rep. Candy Spence Ezzell, Vice Chair
Rep. Dona G. Irwin
Sen. Mimi Stewart
Rep. James R.J. Strickler

Rep. Cathrynn N. Brown
Sen. Pete Campos
Rep. Sharon Clahchischilliage
Rep. George Dodge, Jr.
Rep. Brian Egolf
Rep. David M. Gallegos
Sen. Stuart Ingle
Rep. D. Wonda Johnson
Sen. Gay G. Kernan
Rep. Rick Little
Sen. Carroll H. Leavell
Rep. Stephanie Maez
Sen. Steven P. Neville
Sen. William E. Sharer
Sen. John Arthur Smith

Rep. G. Andres Romero
Sen. John C. Ryan
Rep. Tomás E. Salazar
Rep. Don L. Tripp
Rep. James G. Townsend
Rep. Bob Wooley
Rep. John L. Zimmerman

Staff

Jon Boller, Legislative Council Service (LCS)
Gordon Meeks, LCS
Diego Jimenez, LCS

Guests

The guest list is in the original meeting file.

Handouts

Handouts and other written testimony can be found in the meeting file or on the New Mexico Legislature's web site at www.nmlegis.gov.

Monday, June 1**Call to Order and Introductions**

Senator Wirth began by having members of the committee and staff introduce themselves.

Overview of New Mexico Water Law

Reed Benson, professor, University of New Mexico School of Law, summarized the basic tenets of New Mexico water law for the committee, including explanations of the prior appropriation doctrine, beneficial use, surface and ground water management, federal reserved rights, interstate compacts and adjudications. David Benavides, New Mexico Legal Aid, reviewed the law and policies governing the transfer of water rights within and outside of the state, noting that existing users are often under increasing pressure to sell and transfer their water rights to other areas and uses in the state, given that the surface waters of the state are already fully appropriated.

Questions and answers from committee members included the following:

- the difference between "Winters Doctrine" federal reserved rights and pueblo rights and the effect on their respective priority dates and quantification; and
- whether the Indian nations, tribes and pueblos of the state could claim all of the water in the state, and whether that is one reason the state entered into settlement agreements.

Status Report — Office of the State Engineer

Deborah Dixon, director of the Interstate Stream Commission (ISC), introduced herself and noted that she began serving as director on March 16, 2015 after spending over 30 years as a professional engineer in the private sector.

Tom Blaine, state engineer, began by saying that no one in New Mexico is untouched by the Office of the State Engineer (OSE) and that water issues long predate statehood. He explained that New Mexico statutes require the OSE to consider impairment of existing water rights, conservation of water and public welfare of the state when evaluating applications for changes to an existing water right, and that when considering the public welfare of the state, the OSE could not just consider the public welfare of one region of the state. Favoring one region over another, he indicated, would open the door to politics in the approval process. Mr. Blaine also outlined several issues that the OSE is currently dealing with, stating that:

- it is very important that the legislature appropriate the remaining \$12.7 million of the state's cost share for implementation of the Taos settlement before the end of the fiscal year;
- he is planning to issue district-specific active water resource management rules this year for one or more water districts and is currently conducting outreach to stakeholders in the lower Rio Grande area;
- the OSE is defending the state's right to administer its waters in the *Texas v. New Mexico* case;
- he hopes to find ways to streamline the adjudications process in conjunction with the courts;
- he wants to streamline the permitting process by ensuring that applications are reviewed for completeness within 10 days of submittal and reduce the backlog of permit applications by 50 percent by the end of the year; and
- he would like the state to quantify the amount of ground water in the state, and he will let the legislature know the amount of the appropriation that will be needed to accomplish this.

Ms. Dixon updated the committee on the state and regional water planning process, noting that she will be meeting with representatives from all of the regions this summer. She said that steering committees are being reestablished in each region and that the ISC wants to integrate the regional plans into the state plan by establishing a common technical platform, including estimates of population, water supply and water demand for each region. Each region would then be asked to develop programs and policy goals for its respective regions, with draft plans ready by late fall, she said.

Comments and questions from committee members included:

- whether recreational use is recognized as a beneficial use of water under state law;
- that the OSE is evaluating whether domestic and livestock wells can be adjudicated separately from other surface and ground water rights;

- whether the legislature should earmark some of the \$70 million in gaming revenue to fund the state's share of Indian water rights settlements; and
- what directions, if any, has the state engineer received from the governor.

2015 Committee Work Plan

The committee discussed a work plan for the interim and proposed to meet in Santa Fe, Taos, Silver City and Ruidoso.

The committee adjourned at 12:30 p.m.